GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

STARRED QUESTION NO:203
ANSWERED ON:29.11.2007
LOSS MAKING PUBLIC SECTOR UNDERTAKINGS
Kaushal Shri Raghuvir Singh;Sharma Shri Madan Lal

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether a large number of Public Sector Undertakings (PSUs) of the Union Government are incurring huge losses;

(b) if so, the quantum of losses incurred by those undertakings during the last three years; PSU-wise; and

(c) the steps taken to improve the performance of these loss-making PSUs?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV)

(a) to (c): A statement is laid on the table of the house.

Statement referred to in reply to Lok Sabha Starred Question No. 203 asked by S/Shri Madan Lal Sharma, Raghuveer Singh Koshal, on `Loss Making Public Sector Undertakinqs` to be answered on 29.11.2007.

(a) & (b): As per the information available in Department of Public Enterprises (DPE) out of 225 operating Central Public Sector Enterprises (CPSEs), 58 CPSEs have incurred losses amounting to Rs. 5952 crore during the year 2005-06. Out of 227 opera&ig CPSEs during the year 2004-05, losses incurred by 73 CPSEs amounted to Rs. 9003 crore; and out of operating 230 CPSEs during the year 2003-04 losses incurred by 89 CPSEs amounted to Rs. 8522 crore. Statements showing year-wise losses incurred by each of these CPSEs during the last 3 years (2003-04 to 2005-06) are enclosed at Annex 1, 2 and 3.

(c): Government constituted Board for Reconstruction of Public Sector Enterprises (BRPSE) in December 2004 as a part-time advisory body to advise the Government on the strategies, measures and schemes relating to the strengthening, modernization, reviving and restructuring of sick and loss making CPSEs. The BRPSE have considered proposals and conveyed its recommendations to Government. As on 31.10.2007 Government have approved the proposals for revival of 26 cases of CPSEs involving total assistance of Rs. 8264 crore in the form of fresh infusion of funds and waivers/write offs, etc. The detail of revival package approved by the Government is given in Annex 4. In addition, without any reference to BRPSE, Government have, considered and approved the proposal of revival package for Nagaland Pulp & Paper Co. Ltd. as well as the revival proposal for ITI Ltd.